

# BANKER & TRADESMAN

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**PROFILE IN COMMERCE:** *Barry Sloane & Jonathan Sloane*

## Brothers Inspired by Bank's History, Future Vision

By Amy Wyeth

THEY'RE THE ONLY CO-CHIEF EXECUTIVE OFFICERS in the state and they work in the tallest office building in Medford – a 5-story glass and steel affair built just two years ago adjacent to their bank's headquarters on the prime real estate between Mystic Avenue and Route 93.

Barry and Jonathan Sloane run New England's largest family-controlled bank; what they believe to be the region's only family-controlled commercial bank with more than \$1 billion in assets.

That's a lot of uniqueness to handle but the Sloane brothers, whose father, Marshall Sloane, founded Century Bank in 1969, seem to be enjoying the ride. In the nearly four decades the family has run the bank – which opened as a publicly traded institution and was listed on the NASDAQ exchange in 1987 – they've seen it grow from a Somerville roadside trailer to 22 full-service branches.

"I like to say we go from Boston to Burlington, Beverly to Braintree," said Jonathan Sloane, 48, of the \$1.7 billion bank.

Barry Sloane, four years his brother's senior, shows off a black-and-white image of his grandfather, Jacob G. Sloane's, furniture business and his honorable discharge papers from World War I Army service, which Barry is thinking of framing. There's also a picture of the Megantic, one ship of the White Star Line fleet, better known for its ill-fated flagship Titanic, which brought Jacob from Liverpool to Boston in 1910.

In Barry's office, photos of the new headquarters' ribbon-cutting, featuring local politicians and the Sloane family, are on display. Linda Sloane Kay, the youngest of the siblings and a vice president at Century



Photo courtesy Century Bank

**Brothers Barry and Jonathan Sloane are co-chief executive officers of family-controlled Century Bank.**

Bank's Chestnut Hill office, helped celebrate the opening of the building.

There's history all over the brand-new structure, but with it – and perhaps integrally – comes vision.

"It's always been the plan to build an institution for the long term," Jonathan said.

"To serve our communities optimally amongst the giants," Barry added.

Stock-owned banks typically are seen as not being around for the long haul, as their mandate is to increase profits and they often have to merge to do so. But Century Bank is unique, Barry said, in that when the bank was listed on NASDAQ, his father sold A shares to the public that paid greater divi-

dends but were non-voting. The voting B shares – approximately 35 percent of all the shares – went primarily to family members, which, Barry said, "gives us the ability to remain independent, hopefully, and to retain the longer term view."

Another important quality that sets Century Bank apart from other banks, the brothers said, is that its CEOs live, work and volunteer in the community.

"We have a personal interest in the success of the businesses we lend to," Jonathan said. Each sits on a half-dozen nonprofit boards. That's different from many of Massachusetts' larger banks, which may be

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based out-of-state, Barry explained, because boards are interested in having a decision-maker on board, and banks based outside of Massachusetts can't provide that.

### Keeping it Personal

Century Bank is experiencing the same economic difficulties as Massachusetts' 200 other banks these days. There are the regulatory burdens, which, Jonathan said, are largely imposed because of the "one percent" of bad actors who break the rules, making it harder on those who don't. There's the infamous inverted yield curve, which, by virtue of narrowing the gap between the interest a bank can charge on loans and what it pays on short term and long term deposits, limits the profits it has available to pay for ever-increasing business expenses.

On top of that, many Century Bank branches are in Middlesex County, which is the most competitive area in Massachusetts for deposit rates, according to Jonathan.

Century Bank competes, the brothers said, by striving to maintain a diverse customer base (according to Jonathan, "we have everyone from self-made entrepreneurs to those who have inherited money to the local fruit-seller") and by focusing like a laser on opportunities to grow in the community and stay involved in local activities.

They think it pays off when their tellers know customers to the point that they could prevent a fraudulent transaction – for example, knowing a customer is on vacation when there's an attempt to withdraw money from that person's account.

Barry believes the customers also know that the bank and the Sloanes are around for the long haul.

"They can look at us and say, 'Where else is there a chance that I'll be dealing with someone who has the same last name three years from now?'" Barry said. "We think the chance of that is very high."

Barry and Jonathan came to their current

co-CEO roles by very different means. They were named co-CEOs by the bank's board in April last year, after Jonathan had served at Century Bank for 27 years in various capacities and Barry had spent 19 years working at Citigroup and Credit Suisse banks.

The two claim to share responsibilities equally, but acknowledge each has different interests he's been able to parlay into an individual role. For example, Jonathan took the lead in working with the architects who designed the new headquarters and spearheaded energy-efficient additions this year. Barry, whose background is in wealth management, is working on expanding the bank's trust services department.

Still, they share responsibility for the bank's core functions and success, and appear to agree on how to get there.

"The question we would pose to your readers is, 'Can focused, independent enterprise survive?'" Barry said. "We would make the case that it can." ■

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